
**CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
BOARD OF ADMINISTRATION**

PERFORMANCE AND COMPENSATION COMMITTEE

MINUTES OF MEETING

August 17, 2010

The Performance and Compensation Committee met on Tuesday, August 17, 2010, in the Lincoln Plaza North Building, 400 Q Street, Sacramento, California.

The meeting was called to order at 3:03 p.m. and the following members were present:

Pat Clarey, Chair
Dan Dunmoyer, Vice Chair
George Diehr
Debbie Endsley, represented by Darlene Schell
Bill Lockyer, represented by Grant Boyken
Louis F. Moret
Tony Oliveira

Excused:

None

Other Board Members present:

John Chiang, represented by Terry McGuire

**AGENDA ITEM 2a – APPROVAL OF THE JUNE 14, 2010, PERFORMANCE AND
COMPENSATION COMMITTEE MEETING MINUTES**

The minutes were approved as presented.

**AGENDA ITEM 3a – 2010-2011 PERFORMANCE PLANS FOR THE CHIEF
EXECUTIVE OFFICER AND GENERAL COUNSEL (SECOND READING)**

Michael Willihnganz, Chief, Human Resources Division, presented second reading of the above mentioned performance plans to the Committee as an action item.

On **MOTION** by George Diehr, **SECONDED** and **CARRIED**, the Committee accepted and recommended the Board approve the 2010-2011 performance plans for the Chief Executive Officer and General Counsel as a second reading.

As a matter of record, at the conclusion of this agenda item, Board Member JJ Jelincic formally recused himself from any and all matters related to the remaining agenda items.

AGENDA ITEM 3b – 2010-2011 PERFORMANCE PLANS FOR THE CHIEF INVESTMENT OFFICER, CHIEF OPERATING INVESTMENT OFFICER, SENIOR INVESTMENT OFFICERS, SENIOR PORTFOLIO MANAGERS AND PORTFOLIO MANAGERS (SECOND READING)

Mr. Willihnganz presented the second reading of the above mentioned plans to the Committee as an action item.

On **MOTION** by Lou Moret, **SECONDED** and **CARRIED**, the Committee accepted and recommended the Board approve the 2010-2011 performance plans for the Chief Investment Officer, Chief Operating Investment Officer, Senior Investment Officers, Senior Portfolio Managers, and Portfolio Managers as a second reading.

AGENDA ITEM 3c – INVESTMENT INCENTIVE COMPENSATION PROGRAM REDESIGN

Per staff's recommendation and approval of the Chair, this item was deferred.

AGENDA ITEM 4a – HUMAN RESOURCES DIVISION REPORT

Mr. Willihnganz presented a matrix reflecting the status of various activities occurring within the Human Resources Division and the 2010 master calendar to the Committee as an information item.

AGENDA ITEM 4b – PROPOSED SEPTEMBER 2010 AGENDA

The proposed agenda was approved as presented.

AGENDA ITEM 5a – PUBLIC COMMENT

There was no public comment.

The meeting was adjourned at 3:10 p.m.

The next Performance and Compensation Committee meeting is scheduled for September 13, 2010, in Sacramento, California.

Date: _____

STEPHEN W. KESSLER
Deputy Executive Officer, Operations